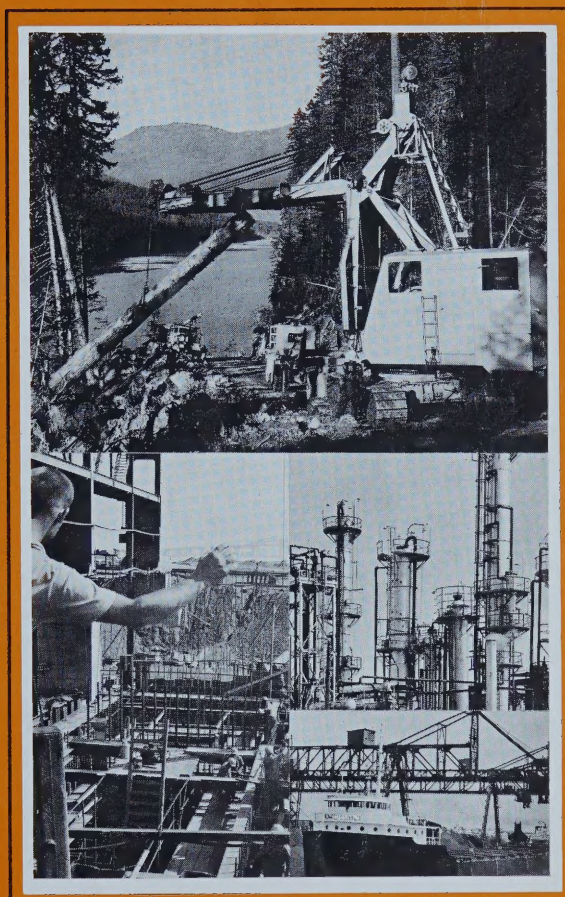


Investors GROWTH FUND OF CANADA LTD.

1969

Annual Report

Executive Officers

T. O. PETERSON
Chairman of the Board

C. E. ATCHISON
President

J. N. W. BUDD
Vice President

E. G. O. HOWARD
Secretary

R. H. JONES
Treasurer

INVESTMENT MANAGER
The Investors Group

DISTRIBUTOR
Investors Syndicate Limited

HEAD OFFICE
280 Broadway
Winnipeg 1, Manitoba



T. O. PETERSON
Winnipeg



C. E. ATCHISON
Winnipeg



COURTLAND ELLIOTT
Toronto



C. A. GEOFFRION, Q.C.
Montreal

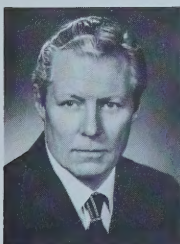
Board of Directors

Investors GROWTH FUND OF CANADA LTD.

Annual Report for the year ended
August 31, 1969

Comparative Highlights

	1969	1968
Total Net Assets	\$371,727,000	\$275,286,000
Number of Shareholders . . .	88,842	69,687
Asset Value per Share	\$11.47	\$11.20
Dividend Declared \$	7,451,000	\$ 5,161,000
Dividend Per Share	\$.23	\$.21



PETER D. CURRY
Winnipeg



BERTHOLD MONGEAU
Montreal



FRANK H. SHERMAN
Hamilton



J. K. BRUMELL
Toronto

Report to the Shareholders



C. E. ATCHISON
President

In this, the eleventh annual report of your fund, I am pleased to report on behalf of the Board of Directors, that your company has experienced a very satisfactory year.

There are many yardsticks by which a company is measured but I believe one of the most significant is how well it performs and grows during periods of declining markets and economic unrest. We have just experienced such a period and I am pleased to say that your company has achieved new records both in numbers of shareholders participating and in the amount of assets managed.

During the year assets of your fund increased by \$96,441,000 to \$371,727,000 making it the second largest fund in Canada, exceeded only by Investors Mutual. At the same time the number of shareholders have increased to 88,842 from 69,687 a growth of some 27%.

This growing recognition on the part of the investing public is ample testimony to the solid performance of your investment management during this period of market turbulence. More and more Canadians are turning to companies, such as ours, to help them establish personal investment programmes which enable them to participate in our country's economic growth and at the same time offset the adverse effects of inflation.

A second yardstick for measuring a company's performance is in the increased value of the company shares. Throughout the first three-quarters of 1969 several setbacks occurred in the stock market yet despite these setbacks your fund has again recorded an increase in asset value per share. Details of share performance may be found later in this report.

In keeping with the stated investment objectives of your company, which is the appreciation of capital over the long term, I believe you can take considerable satisfaction in the report of operations on the following pages.

In a recent report published by the Economic Council of Canada there is every indication that Canada is on the threshold of unprecedented prosperity. You can be certain that your fund's management will be alert to new opportunities in the years ahead.

Share Performance

Since the 1968 annual report was issued the stock markets in both Canada and the United States have achieved and retreated from record levels. The Dow Jones Industrial Average rose to 986.43 in November, 1968 but declined to 896.01 at August 31, 1969, 6.6% below the August 31, 1968 level. In Canada, the Toronto Stock Exchange Industrial Index continued its upward momentum into May, 1969, to attain 198.77. In June and July of 1969 the Toronto Stock Exchange suffered one of the most severe market declines ever as the market plunged to 165.80. A slight recovery was experienced during August and at August 31, 1969, the T. S. E. Industrial Index was at 175.43, up 3.8% over the previous year.

Despite the volatile climate in which your fund operated during the past fiscal year the investment results were very gratifying. A capital gain of 2.4% and a total gain of 4.5%, including dividends, was experienced over 1968.

The dividend per share was also increased at the year end from 21c per share to 23c. These are automatically reinvested in additional shares thus effectively increasing the rate of return to the shareholder. The 1969 dividend totalled \$7,451,000, an increase of 44% over the 1968 figure of \$5,161,000.

Profit from the sale of investments during the year amounted to \$7,847,000 compared with \$14,502,000 the preceding year. Undistributed earnings, comprised mainly of cumulative realized capital appreciation were \$42,250,000 at the end of the 1969 fiscal year.

The following table illustrates the year-by-year performance of a share in Investors Growth Fund since its inception.

	Asset Value	Dividend	Dividend Yield	Capital Gain	Total Gain
December 2, 1957	\$5.000	(Commencement of Fund)			
August 31, 1958	5.569	\$.06½	1.30%	11.38%	12.68%
August 31, 1959	6.274	.10½	1.88	12.65	14.53
August 31, 1960	5.696	.14½	2.31	(-) 9.22	(-) 6.91
August 31, 1961	6.970	.15	2.63	22.36	24.99
August 31, 1962	6.191	.16	2.29	(-)11.18	(-) 8.89
August 31, 1963	6.860	.18	2.90	10.80	13.70
August 31, 1964	8.137	.20	2.91	18.61	21.52
August 31, 1965	8.590	.21	2.58	5.56	8.14
August 31, 1966	8.200	.21	2.44	(-) 4.55	(-) 2.11
August 31, 1967	10.262	.21	2.56	25.14	27.70
August 31, 1968	11.203	.21	2.04	9.16	11.20
August 31, 1969	11.477	.23	2.05	2.44	4.49

The cumulative gain including compounded dividend return experienced by the Fund since its inception is equivalent to 8.984 per cent average annual compound growth.

Portfolio Management

During the past year the stock market has once again experienced periods of considerable turbulence. It has been a year which has seen a substantial dip in the leading stock market indices and a year which has once again proven the value of investing for the long term. Early in 1969 your fund adopted a somewhat cautious approach to the market. As a result your fund has carried a high portion of its assets in cash and equivalent throughout the year and invested the bulk of its cash flow in high quality "blue chip" stocks. This reflected management's feeling that junior industrials, the so-called performance stocks, were extremely vulnerable. And this has proven to be so.

Your investment management also felt that it was desirable to increase the liquidity of your fund and have accordingly increased its holdings in high quality American stocks. At the close of the year increased holdings in U.S. securities accounted for close to 30% of the fund's portfolio.

Because of your management's earlier caution your fund is in an excellent position to take full advantage of "good value" buying opportunities which are now becoming available.

During the past year your fund has substantially increased its investment in the natural resources industry in recognition of the enhancement of basic values through an inflationary period. The Oil and Gas and the Metal Mining and Refining industries currently account for approximately 25% of the fund's total portfolio. This large investment in resources development may be expected to provide a rewarding investment experience in the years ahead. The Oil and Gas sector accounts for \$56.5 million and Metal Mining and Refining accounts for a further \$36.2 million of your fund's assets.

You will note that Banks, which were the largest sector in the portfolio at the year end in 1968 are now in third position overall, however, they have also been substantially increased and account for \$35.75 million of your fund's assets. This is an increase of some \$7.75 million.

Office Equipment and Supplies have also been increased over 1968 reflecting your investment management's belief that economic development will continue to increase demand for newer and better office equipment and this sector now stands at \$30.1 million.

The ever-increasing rapidity of economic changes demands continual supervision and the willingness to make changes in a portfolio distribution in order to maximize investment potential. The management of your fund is cognizant of this requirement and, through its fully-developed research capability is in a favoured position to implement policies consistent with the objectives of the fund.

Economic Review and Outlook

In the 1968 annual report we made reference to the significant improvement in the business climate which had taken place in Canada. Expansion in economic activity was strong and steady during the first three-quarters of calendar 1968 with a marked acceleration in the final quarter. This momentum continued into the first three months of 1969 before special factors, such as labour stoppages, moderated the rate of advance in the second quarter. Complete data is not yet available for the third quarter but preliminary figures would seem to indicate a further slight moderation in the growth rate of the economy.

Reflecting the better business environment improvement was noted in both the unemployment rate and corporation profits during the last half of 1968 and the first quarter of 1969. However, the reduction in the rate of advance during the second quarter of this year led also to an increase in the unemployment rate and a flattening in corporation profits.

Price and cost pressures continued to plague the Canadian economy over the past twelve months and increasingly sterner measures have been taken by the authorities to dampen these inflationary pressures. We believe that the anti-inflation policies now being followed by governments in both Canada and the United States will prove effective and a slowing down in business activity will be apparent during the latter part of this year and into 1970.

While corporation profits may be expected to reflect this predicted change in the business environment, the year-to-year gain in profits will still be quite marked due to the recent high level of activity relative to the early months of 1968. Also it is important to note that the stock market has discounted much of the implications of a falling trend in corporation profits and that statistical measurements of common stock values have become quite attractive.

All in all we believe that a period of readjustment is to be regarded as constructive for the longer term potential of the Canadian economy and for the future benefit of investors. Certainly a successful dampening down of inflationary pressures and expectations will build a firm foundation for those strong underlying growth factors in the economy which may be expected to assert themselves during the 1970's.



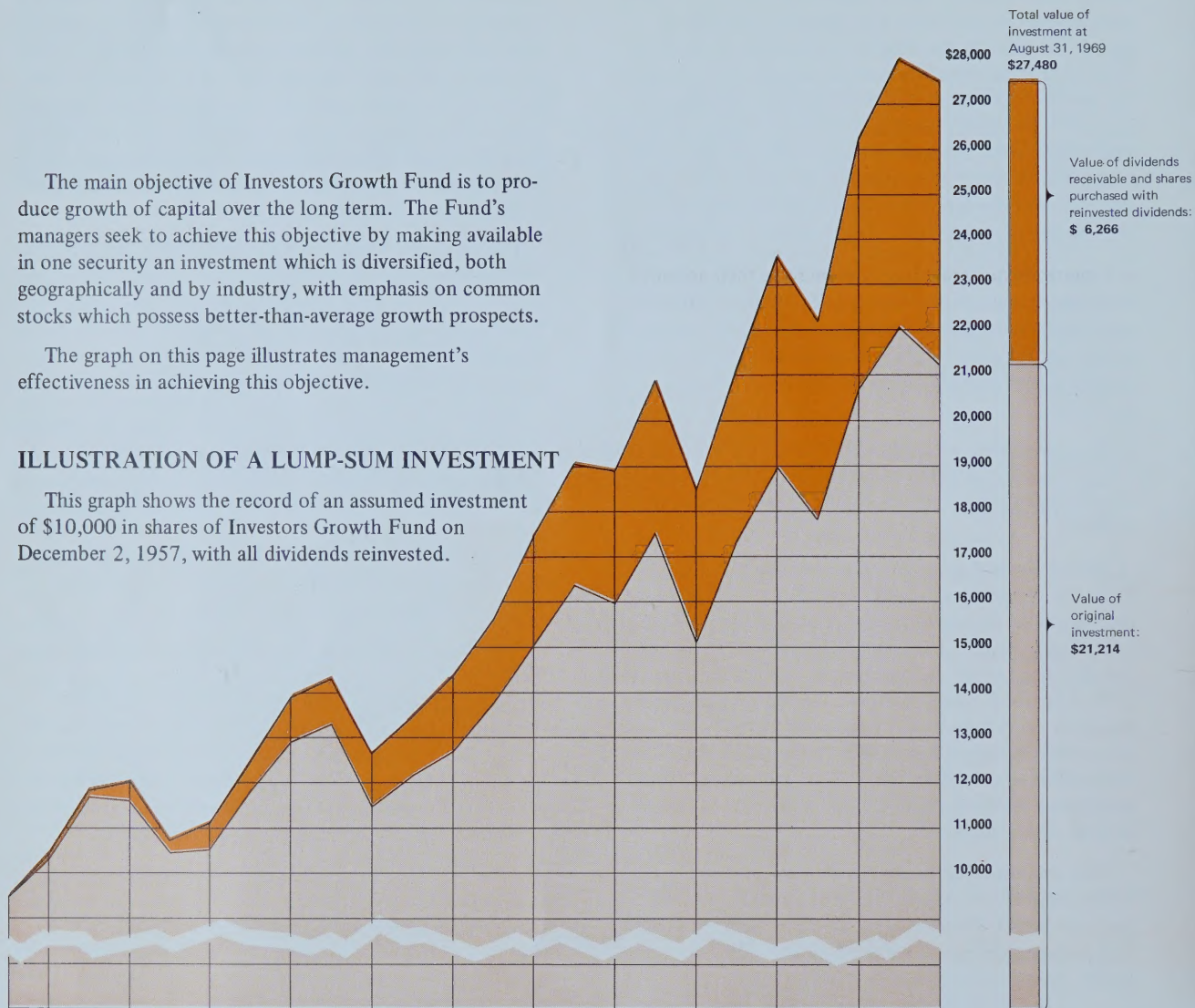
Achievement of Fund's Objectives

The main objective of Investors Growth Fund is to produce growth of capital over the long term. The Fund's managers seek to achieve this objective by making available in one security an investment which is diversified, both geographically and by industry, with emphasis on common stocks which possess better-than-average growth prospects.

The graph on this page illustrates management's effectiveness in achieving this objective.

ILLUSTRATION OF A LUMP-SUM INVESTMENT

This graph shows the record of an assumed investment of \$10,000 in shares of Investors Growth Fund on December 2, 1957, with all dividends reinvested.



31 AUG. 1958	31 AUG. 1959	31 AUG. 1960	31 AUG. 1961	31 AUG. 1962	31 AUG. 1963	31 AUG. 1964	31 AUG. 1965	31 AUG. 1966	31 AUG. 1967	31 AUG. 1968	31 AUG. 1969	
\$10,294	11,597	10,529	12,884	11,443	12,680	15,040	15,878	15,157	18,969	20,708	21,214	Value of original investment
120	330	581	1,003	1,210	1,708	2,446	3,033	3,358	4,676	5,589	6,266	Value of dividends receivable and shares purchased with reinvested dividends
10,414	11,927	11,110	13,887	12,653	14,388	17,486	18,911	18,515	23,645	26,297	27,480	TOTAL VALUE

Record of Continuous Investment Program

\$1000 Initial Investment - \$100 per month

Investors Growth Fund shareholders may start accounts on a relatively moderate basis and increase their accounts by making regular purchases of additional shares to reach their objectives.

The following illustration is based on an assumed investment of \$1,000 on December 2, 1957, and subsequent investments of \$100 per month with dividends reinvested in shares.

Year	Cash Investment	Dividends Reinvested	Shares Credited	Accumulated Shares
1957	\$1,000	\$ —	184.843	184.843
1958	1,200	21.21	210.026	394.869
1959	1,200	53.68	186.175	581.044
1960	1,200	102.94	213.401	794.445
1961	1,200	136.18	185.760	980.205
1962	1,200	174.39	197.948	1,178.153
1963	1,200	231.43	194.114	1,372.267
1964	1,200	293.45	175.477	1,547.744
1965	1,200	342.77	166.186	1,713.930
1966	1,200	376.62	170.277	1,884.207
1967	1,200	411.73	152.392	2,036.599
1968	1,200	442.75	142.565	2,179.164
1969	800	515.28	106.101	2,285.265

Valuation of Account at August 31, 1969

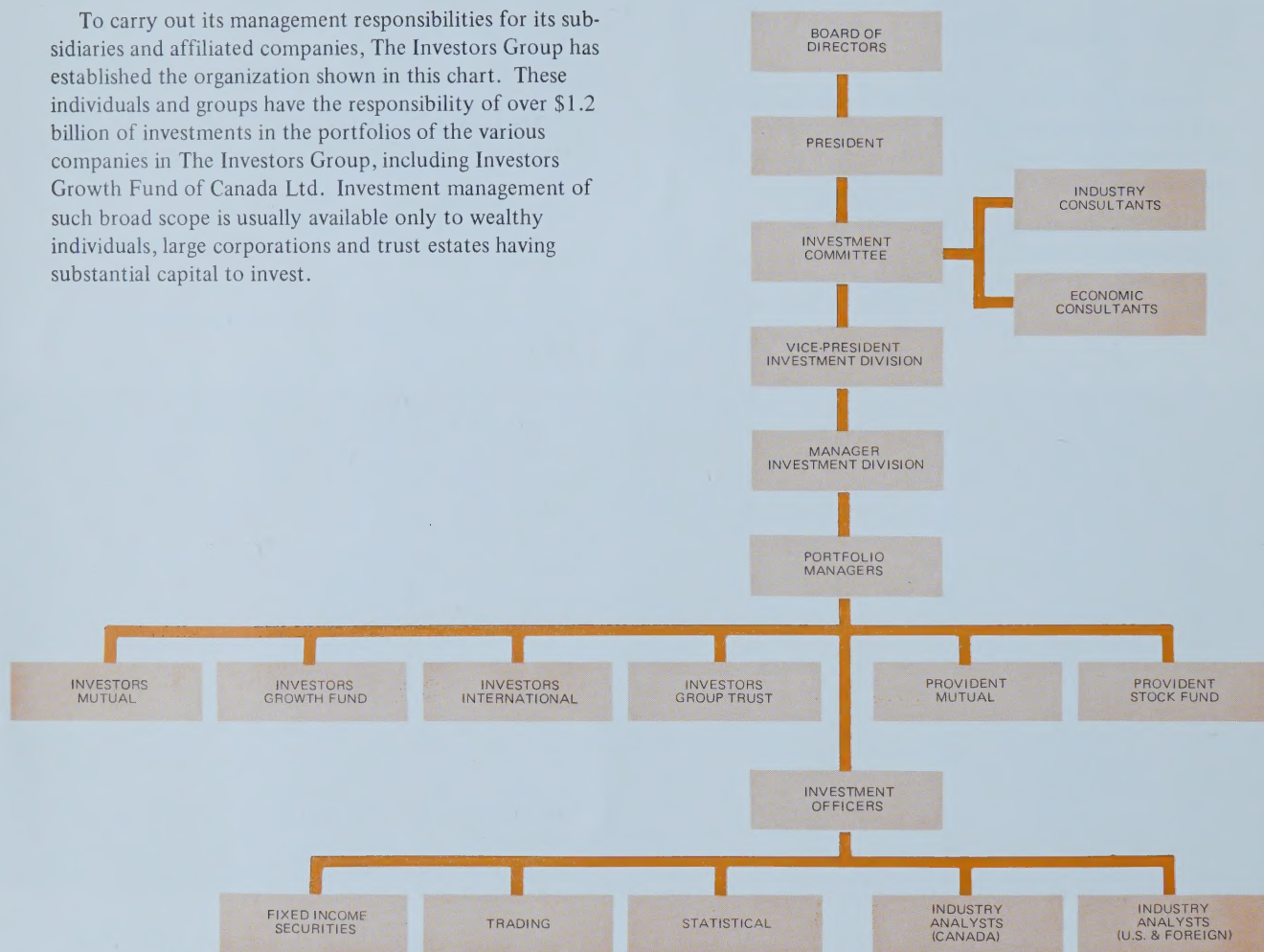
Redemption value		
2,285.265 shares x	\$11,477	\$26,227.99
Original Investment	\$ 1,000	
Monthly Purchases	14,000	15,000.00
Total net gain		<u>\$11,227.99</u>

Dollar cost averaging the Invest-A-Chek Way

Dollar-cost averaging is the name given to purchasing shares on a regular, systematic basis. When market dips occur, this system can be particularly profitable to shareholders. A booklet dealing with the subject is available from the Company. A convenient system of periodic investment, known as Invest-a-chek, has been developed especially to assist those of our clients who wish to dollar-cost average their share purchases.

Investment Management Organization

To carry out its management responsibilities for its subsidiaries and affiliated companies, The Investors Group has established the organization shown in this chart. These individuals and groups have the responsibility of over \$1.2 billion of investments in the portfolios of the various companies in The Investors Group, including Investors Growth Fund of Canada Ltd. Investment management of such broad scope is usually available only to wealthy individuals, large corporations and trust estates having substantial capital to invest.



Services and Benefits to Shareholders

Shareholders of Investors Growth Fund have the benefit of many valuable and helpful services provided by The Investors Group. It has been the continuing policy of the Company to emphasize the development of such services, to meet the needs and convenience of the clients whom it serves. Among the benefits and services extended to you as a shareholder are the following:

FREE REINVESTMENT OF DIVIDENDS

Dividends from investment income are automatically reinvested, without a sales charge, to purchase additional shares which are credited to your account. This compounding action provides an extra growth factor.

REDUCED SALES CHARGE

The purchase amounts of all your investments in mutual funds distributed by Investors Syndicate Limited are added together to reduce the sales charges on further purchases. Family purchases (by spouse and children under 21) are included with your own in determining total purchases.

FREE TRANSFER OF INVESTMENTS

If your investment objectives change, you may transfer without charge all or part of your account to shares of one of the other mutual funds distributed by Investors Syndicate Limited. If you wish to hold, either temporarily or permanently, an investment having guaranteed cash values you may transfer into the guaranteed Single Payment Annuity Certificates of Investors Syndicate Limited.

FRACTIONAL SHARES

Shares are issued in full and fractional amounts so that any sum of money may be fully invested, thus avoiding any unproductive balance.

INCOME TAX ADVANTAGES

Shareholders residing in Canada who receive dividends from Investors Growth Fund are entitled to an income tax credit of 20% of the amount of dividends received, in accordance with Section 38 of the Income Tax Act. Such credits are deducted from the tax payable. Dividends received by Canadian corporations from Investors Growth Fund are tax-free. A further tax benefit is the fact that realized capital gains are not taxed in Canada.

PROMPT REDEMPTION

Your Company agrees to redeem any portion or all of your shares at the net asset value per share as of the close of business on the day following receipt of your request at the head office of the Company.

TAX-DEDUCTIBLE RETIREMENT PLANS

The Income Tax Act provides that shareholders of Investors Growth Fund may purchase shares of the Fund and "register" them as a Registered Retirement Savings Plan, under certain conditions. If you would like to build up an annuity fund or supplement your existing pension plan, full details of these pension plan benefits may be obtained from the Company's head office or its representatives.

SYSTEMATIC SHARE PURCHASE PLANS

Amounts as low as \$15 per month may be invested in plans having ten, fifteen or twenty-year maturities. These plans provide a desirable method of accumulating money for specific purposes. Optional low-cost insurance may be purchased with these plans, to cover completion. Our new Invest-a-chek system makes regular share purchasing easy and convenient.

INVEST-A-CHEK SERVICE

As an added convenience to shareholders, the Invest-a-chek system has been introduced whereby the shareholder purchases shares in the Fund by pre-authorized cheques on his or her bank account. This system is particularly helpful to clients who purchase shares on a regular, systematic basis, and thus wish to benefit from dollar-cost averaging of investments.

INCOME WITHDRAWAL PLAN

Monthly or quarterly, shareholders may redeem a sufficient number of shares at asset value to provide the dollar amount required. Annual withdrawals of 6-8% of the value of the account are most popular. Complete information on income withdrawal plans may be obtained from the company or its representatives.

REGULAR REPORTS

You will receive annual, semi-annual and quarterly reports, to keep you informed of Fund activities and general economic conditions.

Balance Sheet

August 31, 1969

with comparative figures for 1968

Net Assets

ASSETS:

Investments, at market value in Canadian funds:

	1969	1968
Canadian Government bonds	\$ 6,022,875	6,389,125
Canadian Corporation bonds	529,000	—
United States corporation bonds	1,336,623	—
Canadian preferred stocks	8,230,749	5,253,629
United States preferred stocks	2,504,771	—
Canadian common stocks	205,105,296	175,661,044
United States and other foreign common stocks	106,877,269	37,473,952
	<u>330,606,583</u>	<u>224,777,750</u>

*The average cost of the investments
as of August 31, 1969 was \$288,219,119.
(1968 — \$176,830,949).*

Other assets:

Cash on deposit and in transit	47,691,656	38,796,347
Demand notes	—	22,300,000
Accrued interest and dividends receivable	1,145,630	876,922
Due from brokers	813,087	68,980
	<u>49,650,373</u>	<u>62,042,249</u>
Total assets	<u>380,256,956</u>	<u>286,819,999</u>

LIABILITIES:

Due to brokers.	525,365	5,907,018
Dividend payable	7,450,744	5,160,634
Accounts payable and accrued expenses	231,280	248,319
Income taxes payable	322,630	218,094
Total liabilities	<u>8,530,019</u>	<u>11,534,065</u>
	<u>\$371,726,937</u>	<u>275,285,934</u>

See accompanying notes to financial statements.

On behalf of the Board:

Peterson
Director

Reatchison
Director

Shareholders' Equity

		1969	1968
Capital stock:			
Common shares of the par value of \$1 each.			
Authorized and issued 1,000 shares	\$	1,000	1,000
Special shares of the par value of \$1 each.			
	Shares—1969	Shares—1968	
Authorized	60,000,000	60,000,000	
Redeemed	13,766,830	11,635,589	
	<u>46,233,170</u>	<u>48,364,411</u>	
Outstanding	<u>32,394,709</u>	<u>24,574,115</u>	
		<u>32,394,709</u>	<u>24,574,115</u>
		<u>32,395,709</u>	<u>24,575,115</u>
Premium received on shares issued less premium paid on shares redeemed		254,833,750	169,249,555
Retained earnings		42,250,046	33,583,976
Unrealized appreciation of investments		42,247,432	47,877,288
		<u>\$371,726,937</u>	<u>275,285,934</u>

Auditors' Report to the Shareholders

We have examined the balance sheet of Investors Growth Fund of Canada Ltd. as of August 31, 1969 and the statements of income and retained earnings, unrealized appreciation of investments, premium on shares, changes in net assets and changes in investments for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances, including confirmation of the securities owned at August 31, 1969 by correspondence with the custodian.

In our opinion, these financial statements present fairly the financial position of the Company at August 31, 1969 and the results of its operations and the changes in net assets and investments for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
September 30, 1969

PEAT, MARWICK, MITCHELL & CO.
Chartered Accountants

Statement of Income and Retained Earnings

Year Ended August 31, 1969
with comparative figures for 1968

	1969	1968
INCOME:		
Dividends	\$ 7,313,348	5,001,243
Interest	2,361,025	1,661,741
Proceeds of sale of stock subscription rights	38,430	—
	<u>9,712,803</u>	<u>6,662,984</u>
EXPENSES:		
Management fees	1,767,789	1,206,008
Custodian fees	29,090	19,096
Directors' fees	5,325	5,317
Audit fees	4,500	3,250
Printing, postage and stationery	37,570	35,902
Miscellaneous	5,753	867
	<u>1,850,027</u>	<u>1,270,440</u>
INCOME BEFORE INCOME TAXES	7,862,776	5,392,544
Income taxes	683,535	448,479
	<u>7,179,241</u>	<u>4,944,065</u>
Net income from investments (note 2)	7,179,241	4,944,065
Profit on sale of investments	7,847,598	14,502,697
NET INCOME INCLUDING PROFIT ON SALE OF INVESTMENTS	15,026,839	19,446,762
Transfer from premium on shares	1,089,975	451,639
	<u>16,116,814</u>	<u>19,898,401</u>
Dividend declared	7,450,744	5,160,634
	<u>8,666,070</u>	<u>14,737,767</u>
Retained earnings available for distribution, beginning of year	33,583,976	18,846,209
RETAINED EARNINGS AVAILABLE FOR DISTRIBUTION, END OF YEAR	<u>\$ 42,250,046</u>	<u>33,583,976</u>

Statement of Unrealized Appreciation of Investments

Year Ended August 31, 1969
with comparative figures for 1968

	1969	1968
Balance, beginning of year	\$ 47,877,288	39,892,086
Unrealized appreciation (depreciation) for the year	<u>(5,629,856)</u>	<u>7,985,202</u>
Balance, end of year	<u>\$ 42,247,432</u>	<u>47,877,288</u>

See accompanying notes to financial statements.

Statement of Premium on Shares

Year Ended August 31, 1969
with comparative figures for 1968

	1969	1968
Balance, beginning of year	\$169,249,555	129,288,355
Add:		
Premium received on sale of Special shares	<u>116,446,137</u>	<u>68,847,811</u>
	<u>285,695,692</u>	<u>198,136,166</u>
Deduct:		
Premium paid on redemption of Special shares	23,293,727	25,345,002
Commission paid on sale of Special shares	6,478,240	3,089,970
Transfer to retained earnings to equalize the equity per share in the amount available for dividends in respect of Special shares sold and redeemed during the year	<u>1,089,975</u>	<u>451,639</u>
	<u>30,861,942</u>	<u>28,886,611</u>
Balance, end of year	<u>\$254,833,750</u>	<u>169,249,555</u>
Special shares sold in year	<u>9,951,835</u>	<u>6,961,441</u>
Special shares redeemed in year	<u>2,131,241</u>	<u>2,697,284</u>

Statement of Changes in Net Assets

Year Ended August 31, 1969
with comparative figures for 1968

	1969	1968
Net assets, beginning of year	\$275,285,934	208,337,608
Add:		
Net income from investments	7,179,241	4,944,065
Profit on sale of investments	7,847,598	14,502,697
Increase (decrease) in unrealized appreciation of investments	<u>(5,629,856)</u>	<u>7,985,202</u>
Proceeds of sale of Special shares less commissions paid	<u>120,207,764</u>	<u>72,719,282</u>
	<u>404,890,681</u>	<u>308,488,854</u>
Deduct:		
Payments on redemption of Special shares	25,713,000	28,042,286
Dividend declared from (note 3):		
Income from investments	6,393,746	4,711,120
Transfer from premium on shares	<u>1,056,998</u>	<u>449,514</u>
	<u>33,163,744</u>	<u>33,202,920</u>
Net assets, end of year (note 1)	<u>\$371,726,937</u>	<u>275,285,934</u>

See accompanying notes to financial statements.

Statement of Changes in Investments

Year Ended August 31, 1969
with comparative figures for 1968

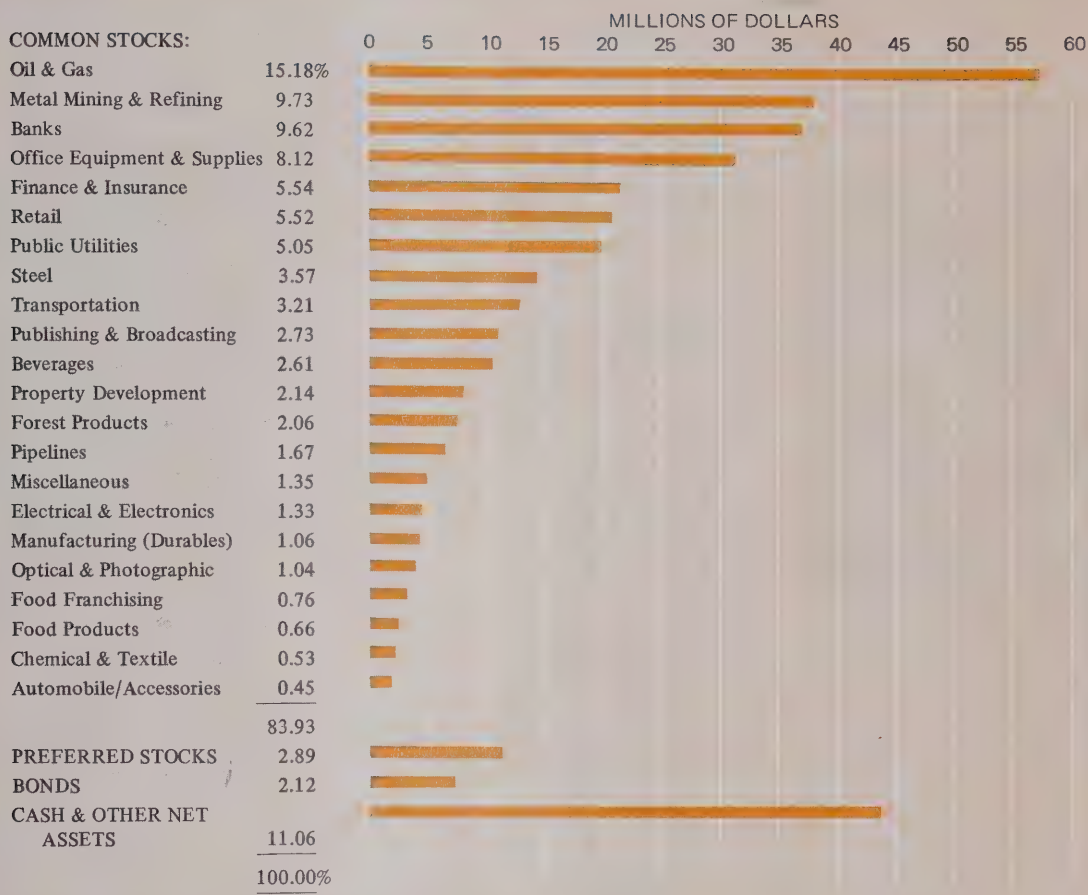
	1969	1968
Investments at average cost, beginning of year	\$176,830,949	144,884,976
Add:		
Cost of investments purchased	<u>156,391,845</u>	<u>129,192,592</u>
	<u>333,222,794</u>	<u>274,077,568</u>
Deduct:		
Proceeds of investments sold	52,851,273	111,749,316
Less profit on sale of investments	<u>7,847,598</u>	<u>14,502,697</u>
	<u>45,003,675</u>	<u>97,246,619</u>
Investments at average cost, end of year	<u>\$288,219,119</u>	<u>176,830,949</u>

Notes to Financial Statements

	1969	1968
1. The net asset value per share at August 31	<u>\$11.47</u>	<u>11.20</u>
2. The average net investment income per share	<u>22.2c</u>	<u>20.1</u>
3. The source of the dividend declared per share:		
Income from investments	19.7c	19.2
Transfer from premium on shares	<u>3.3</u>	<u>1.8</u>
Total dividend	<u>23.0c</u>	<u>21.0</u>
4. The number of shares outstanding at the end of each fiscal year was used for the purpose of per share calculations.		
5. Demand notes are not considered to be portfolio investments and are therefore excluded from the statement of changes in investments.		
6. Foreign currency balances included in the financial statements have been expressed in Canadian dollars on the following basis:		
(a) Market value of investments, other assets and liabilities at the rate of exchange at the fiscal year end.		
(b) Purchases and sales of investments, income and expenses at the rate of exchange prevailing on the respective dates of such transactions.		

Diversification of Assets

August 31, 1969.



Investment in Securities

August 31, 1969

Common Stocks (83.93%)

AUTOMOBILE (0.45%)

	No. of Shares	Market Value	Portfolio Distribution Per \$1,000
*General Motors Corporation	21,300	\$ 1,662,465	\$ 4.49

BANKS (9.62%)

Bank of Montreal	459,162	6,830,035	18.37
The Bank of Nova Scotia	374,805	8,433,112	22.69
Canadian Imperial Bank of Commerce	465,025	9,184,244	24.71
The Royal Bank of Canada	365,000	7,300,000	19.64
The Toronto-Dominion Bank	213,875	4,010,156	10.78
		<u>35,757,547</u>	<u>96.19</u>

BEVERAGES (2.61%)

Distillers Corporation-Seagrams Limited	98,950	4,996,975	13.44
Molson Industries Limited "A"	17,842	347,919	.94
Molson Industries Limited "B"	128,108	2,802,362	7.54
Molson Industries Limited "C"	8,372	167,440	.45
Hiram Walker-Gooderham & Worts Limited	33,325	1,391,319	3.74
		<u>9,706,015</u>	<u>26.11</u>

CHEMICAL AND TEXTILE (0.53%)

*Allied Chemical Corporation	68,000	1,967,376	5.29
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ELECTRICAL AND ELECTRONICS (1.33%)

*Ampex Corporation	54,400	2,474,330	6.66
FPE-Pioneer Electric Limited "A"	71,910	1,294,380	3.48
*The Magnavox Company	23,000	1,173,046	3.16
		<u>4,941,756</u>	<u>13.30</u>

FINANCE AND INSURANCE (5.54%)

*American Express Company	74,500	5,433,807	14.62
Industrial Acceptance Corporation Limited	310,000	4,340,000	11.68
*The Continental Corporation	82,500	3,852,337	10.36
*Crum and Forster	18,840	750,435	2.02
*First Charter Financial Corporation	27,700	1,461,203	3.93
*Imperial Corporation of America	15,700	276,759	.75
*LFC Financial Corporation	256,900	3,999,933	10.75
*Pacific Savings and Loan Association	20,000	470,980	1.27
		<u>20,585,454</u>	<u>55.38</u>

FOOD FRANCHISING (0.76%)

Harvey's Foods Limited	92,400	646,800	1.74
*McDonald's Corporation	60,200	2,179,180	5.86
		<u>2,825,980</u>	<u>7.60</u>

FOOD PRODUCTS (0.66%)

George Weston Limited	107,075	2,449,341	6.59
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FOREST PRODUCTS (2.06%)

Abitibi Paper Company Ltd.	145,340	1,362,562	3.67
MacMillan Bloedel Limited	189,374	6,273,014	16.87
		<u>7,635,576</u>	<u>20.54</u>

MANUFACTURING (DURABLES) (1.06%)

Massey-Ferguson Limited	136,790	2,530,615	6.81
*Neptune Meter Company	60,000	1,412,940	3.80
Versatile Manufacturing Ltd.	2,100	14,700	.04
		<u>3,958,255</u>	<u>10.65</u>

METAL MINING AND REFINING (9.73%)

Alcan Aluminium Limited	122,925	3,549,459	9.55
*American Smelting & Refining Company	15,000	480,405	1.29
Anglo American Corporation of Canada Limited	205,776	2,057,760	5.54
Falconbridge Nickel Mines Limited	59,800	8,013,200	21.56
The International Nickel Company of Canada, Limited	133,912	5,088,656	13.69
Kaiser Resources Ltd.	105,000	1,653,750	4.45
McIntyre Porcupine Mines Limited	29,600	3,552,000	9.56
Noranda Mines, Limited	236,160	7,822,800	21.04
Placer Development Limited	106,000	3,975,000	10.69
		<u>36,193,030</u>	<u>97.37</u>



*Producing copper sulphate crystals
(blue vitriol) at a copper refinery.*

MISCELLANEOUS (1.35%)

	No. of Shares	Market Value	Portfolio Distribution Per \$1,000
Atco Industries Ltd.	77,000	1,260,875	3.39
Extencicare (Canada) Ltd.	43,125	345,000	.93
Investors International Mutual Fund Ltd.	43,224	365,204	.98
Na-Churs International Limited	50,000	306,250	.82
Neonex International Ltd.	15,000	121,875	.33
*Pennzoil United, Inc.	76,300	2,618,235	7.04
		<u>5,017,439</u>	<u>13.49</u>

OFFICE EQUIPMENT AND SUPPLIES (8.12%)

Computel Systems Ltd.	50,625	816,329	2.20
*Computer Technology Inc.	19,700	604,435	1.63
*Control Data Corporation	34,700	5,659,535	15.23
*International Business Machines Corporation	17,964	6,672,081	17.95
*Mohawk Data Sciences Corp.	700	66,221	.17
Moore Corporation, Limited	181,545	6,127,144	16.48
*National Cash Register Company	35,100	5,172,125	13.91
*Randolph Computer Corporation	33,700	1,251,652	3.37
*The Rank Organisation Limited "A" ordinary non-voting	270,000	3,104,730	8.35
*The Rank Organisation Limited ordinary voting	60,000	710,640	1.91
		<u>30,184,892</u>	<u>81.20</u>

OIL AND GAS (15.18%)

Asamera Oil Corporation, Ltd.	58,000	1,812,500	4.88
*Atlantic Richfield Company	131,400	16,550,750	44.53
Gulf Oil Canada Limited	208,600	3,963,400	10.66
Home Oil Company Limited	54,300	4,099,650	11.03
Husky Oil Canada Ltd.	51,150	907,912	2.44
Imperial Oil Limited	180,480	3,384,000	9.10
*Mobil Oil Corporation	39,800	2,586,881	6.96
*Occidental Petroleum Corporation	361,089	13,654,232	36.73
Shell Canada Limited "A"	160,000	4,180,000	11.25
*Standard Oil Company (New Jersey)	26,000	2,039,804	5.48
*Standard Oil Company (Ohio)	10,100	1,276,246	3.43
Texaco Canada Limited	72,720	1,981,620	5.33
		<u>56,436,995</u>	<u>151.82</u>

OPTICAL AND PHOTOGRAPHIC (1.04%)

*Bausch & Lomb Incorporated	24,700	1,628,693	4.38
*Berkey Photo, Inc.	39,100	731,366	1.97
*Cole National Corporation	38,500	1,497,265	4.03
		<u>3,857,324</u>	<u>10.38</u>

PIPELINES (1.67%)

The Alberta Gas Trunk Line Company Limited "A"	58,975	2,594,900	6.98
*Colorado Interstate Corporation	18,500	804,121	2.16
Interprovincial Pipe Line Company	48,575	916,853	2.47
Trans-Canada Pipe Lines Limited	7,700	286,825	.77
Westcoast Transmission Company Limited	57,975	1,594,313	4.29
		<u>6,197,012</u>	<u>16.67</u>

PROPERTY DEVELOPMENT (2.14%)

Bramalea Consolidated Developments Limited	550,200	3,438,750	9.25
Campeau Corporation Limited	349,000	2,268,500	6.10
Markborough Properties Limited	328,000	2,173,000	5.85
Markborough Properties Limited - Warrants	25,000	91,250	.25
		<u>7,971,500</u>	<u>21.45</u>

PUBLIC UTILITIES (5.05%)

Bell Canada	74,065	3,360,699	9.04
British Columbia Telephone Company	35,556	2,453,364	6.60
Calgary Power Ltd.	163,050	4,055,869	10.91
Consumers' Gas Company	323,795	5,504,515	14.81
Northern and Central Gas Corporation Limited	81,600	1,468,800	3.95
Union Gas Company of Canada, Limited	138,290	1,936,060	5.21
		<u>18,779,307</u>	<u>50.52</u>

PUBLISHING AND BROADCASTING (2.73%)

Bushnell TV Co. Limited "A"	168,300	3,534,300	9.51
*Columbia Broadcasting System, Inc.	4,300	207,157	.56
Thomson Newspapers Limited	368,550	6,403,556	17.22
		<u>10,145,013</u>	<u>27.29</u>



Telephone central office switchman checks equipment in "line link" frames, equipment which makes possible direct dialing of long distance calls by telephone users.



Shaping an ingot in a bloom mill.

RETAIL (5.52%)

	No. of Shares	Market Value	Portfolio Distribution Per \$1,000
*General Bahamian Companies Limited	50,000	659,650	1.78
*Gimbels Brothers, Inc.	13,400	605,881	1.63
*W. T. Grant Company	47,300	2,520,570	6.78
M. Loeb Limited	140,000	1,085,000	2.92
*Melville Shoe Corporation	30,400	2,098,633	5.65
*Morse Shoe, Inc.	31,200	1,032,845	2.78
The Oshawa Wholesale Limited "A"	162,200	4,541,600	12.22
Simpsons, Limited	122,200	2,306,525	6.20
*F. W. Woolworth Co.	87,000	3,512,277	9.45
Zeller's Limited	200,400	2,141,675	5.75
		<u>20,504,656</u>	<u>55.16</u>

STEEL (3.57%)

The Algoma Steel Corporation, Limited	61,100	977,600	2.63
Dominion Foundries and Steel, Limited	333,580	7,255,365	19.52
The Steel Company of Canada, Limited	228,137	5,047,531	13.58
		<u>13,280,496</u>	<u>35.73</u>

TRANSPORTATION (3.21%)

Canadian Pacific Railway Company	137,150	9,909,088	26.66
*Seaboard World Airlines Inc.	86,600	2,016,048	5.42
		<u>11,925,136</u>	<u>32.08</u>

TOTAL COMMON STOCKS

311,982,565 839.30

Preferred Stocks (2.89%)

The Alberta Gas Trunk Line Limited Series "D" 5 3/8% Cum. Red. Conv.	3,469	419,749	1.13
*Amerada — Hess Corporation \$3.50 Cum. Conv.	21,200	2,305,118	6.20
*Continental Corporation Series "A" \$2.50 Cum. Conv.	3,925	199,653	.54
Indal Canada Limited Series "B" 6% Cum. \$10.00 P.V.	11,667	99,169	.27
M. Loeb Limited Series "A" 5.75% Cum. Red. Conv. \$50.00 P.V. Northern and Central Gas Corporation \$1.06 Cum. Red. Conv. \$25 P.V.	15,000	675,000	1.82
Trans-Canada Pipe Lines Limited \$2.75 Cum. Red. Conv. "A"	5,000	142,500	.38
	99,199	6,894,331	18.54

TOTAL PREFERRED STOCKS

10,735,520 28.88

Bonds (2.12%)

Face
Amount

GOVERNMENT OF CANADA (1.62%)

5% 6-1-71	\$ 500,000	497,750	1.33
6.25% 12-1-73		4,648,875	12.51
5.5% 4-1-76	1,000,000	876,250	2.36
		<u>6,022,875</u>	<u>16.20</u>

CORPORATE BONDS (0.50%)

*Equitable Savings and Loan Association 5.75% Conv. 12-15-83	\$ 500,000	676,960	1.82
Extencicare (Canada) Ltd. 8.5% 5-15-84 (Cum. Warrants)	575,000	529,000	1.42
*General Bahamian Company Limited 8% Conv. 6-15-84	625,000	659,663	1.77
		<u>1,865,623</u>	<u>5.01</u>

TOTAL BONDS

7,888,498 21.21

TOTAL INVESTMENTS CASH AND OTHER ASSETS (Net) (11.06%)

330,606,583 889.39
41,120,354 110.61

TOTAL NET ASSETS

\$371,726,937 \$1,000

*United States and other foreign investments—valued as follows:
Market Value—converted at the exchange rate as at August 31, 1969.

The four cornerstones of sound personal money management

The Investors Group believes that a well-balanced investment program should consist of these Four Cornerstones for sound personal money management:

1. A BANK CHEQUING OR SAVINGS ACCOUNT

These are spending dollars rather than long-term savings accounts. The money deposited is generally for current living needs, or for short-term emergencies or opportunities.

3. ADEQUATE LIFE INSURANCE

For family or business protection in the event of premature death.

2. GUARANTEED DOLLARS

Provided by Investors Syndicate's guaranteed Installment or Single Payment Annuity Certificates to produce a specific amount of money in a stated number of years.

4. GROWTH DOLLARS

Money soundly invested in a selected and diversified list of common stocks through any of Investors' three mutual funds. Because their growth reflects the development of the North American economy, the mutual funds provide an excellent hedge against inflation.

THE *Investors* GROUP

The Investors Group, through its subsidiaries and affiliates listed below, offers a complete range of savings and investment management services for individuals and groups. With assets of over \$1.6 billion under its administration Investors is the largest company of its kind in Canada.

INVESTORS SYNDICATE LIMITED

Distributor of the shares of Investors mutual funds and of guaranteed investment certificates, which provide for the accumulation of a specific sum of money over a stated period of time. The certificates may be purchased either by a single lump-sum investment or a series of payments over a period of years.

INVESTORS GROUP TRUST CO. LTD.

Provides all necessary services for the efficient administration and management of individual and group trustee pension plans, including consultation and government registration. Investors Pension Plans are available throughout Canada from Investors Syndicate representatives.

INVESTORS MUTUAL OF CANADA LTD.

Canada's largest mutual fund, Investors Mutual objectives stress income, protection of invested capital and long-term capital growth. Being a "balanced" fund, it maintains a portfolio of securities consisting of common and preferred stocks and bonds.

INVESTORS GROWTH FUND OF CANADA LTD.

A mutual fund whose principal objective is long-term growth of invested capital, its portfolio emphasizes high-quality common stocks.

INVESTORS INTERNATIONAL MUTUAL FUND LTD.

A mutual fund designed to give the Canadian investing public the opportunity to share in the long-term growth potential of the international investment scene. Emphasis is on common stocks.

